VZCZCXRO5386 OO RUEHIK DE RUEHCP #0467/01 2940606 ZNR UUUUU ZZH O 210606Z OCT 09 FM AMEMBASSY COPENHAGEN TO RUEHC/SECSTATE WASHDC IMMEDIATE 5259 INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE RUEHMO/AMEMBASSY MOSCOW 1532 RUEHBJ/AMEMBASSY BEIJING 0619 RUEHRL/AMEMBASSY BERLIN 0553 RUEHNE/AMEMBASSY NEW DELHI 0134 RUEHLO/AMEMBASSY LONDON 0734 RUEHFR/AMEMBASSY PARIS 0533 RUEHSM/AMEMBASSY STOCKHOLM 9046 RUEHNY/AMEMBASSY OSLO 5589 RUEHRK/AMEMBASSY REYKJAVIK 0500 RUEHHE/AMEMBASSY HELSINKI 3915 RUEHTL/AMEMBASSY TALLINN 0011 RUEHRA/AMEMBASSY RIGA 0881 RUEHVL/AMEMBASSY VILNIUS 1676 RUEHWR/AMEMBASSY WARSAW 2148 RUEHLN/AMCONSUL ST PETERSBURG 0364 RUEHAG/AMCONSUL HAMBURG 0080

UNCLAS SECTION 01 OF 02 COPENHAGEN 000467

SENSITIVE SIPDIS

DEPT FOR S/SECC, OES, EUR/NE

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SUBJECT: DANISH CLIMATE NEGOTIATOR RESIGNS UNDER CLOUD

REF: COPENHAGEN 397

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- (U) SENSITIVE BUT UNCLASSIFIED -- NOT FOR INTERNET DISTRIBUTION.
- 11. (SBU) Summary: Thomas Becker, one of Denmark's senior climate negotiators, resigned on October 8, fueling press and opposition speculation about tensions between the Climate and Energy Ministry and the Prime Minister's Office. Further details of Becker's expense accounting have revealed a pre-existing condition which forced his resignation. Following an October 16 appearance by Hedegaard, the parliamentary environment committee declared the matter closed. Hedegaard has downplayed speculation about past tensions among the government's climate team. Becker has been replaced by Steffen Smidt, whose appointment is unlikely to signify change in Denmark's negotiating strategy. End Summary.
- 12. (U) Becker reportedly had received an 18-page written warning from Climate Ministry Permanent Secretary Thomas Egebo on March 13, detailing instances of questionable accounting by Becker for official expenses, including:
- -- spending extravagantly on representation events at COP-14 in Poznan in December 2008, and at a UNFCCC session in Accra;
- -- over-estimating and inaccurate reporting of attendance at representation events;
- -- including the bar tab in vouchers for a staff seminar (\$120 per person);
- -- exceeding official per diem rates in Poznan and Geneva, by hundreds of dollars a day;
- -- charging laundry costs
- -- not accounting for \$37,000 in spending during 2008.
- 13. (U) Two other members of the Global Climate Office run by Becker received similar warnings from Egebo, reportedly prompting forty

staff members to sign an open letter of concern about perceived mistrust. After labor union involvement, Egebo promised to allocate more clerical staff to help with paperwork associated with travel. Egebo and Becker reportedly last met on September 24, prior to Becker's attendance at the Bangkok UNFCCC negotiating round. Becker called in sick for a few days after returning from Bangkok, then resigned in an October 8 email to Egebo.

- 14. (U) Opposition and press speculation after the resignation centered on alleged tension between the Climate Ministry and the Prime Minister's Office. In this view, Becker's resignation was regarded as a reflection of the Prime Minister's Office asserting greater control over its climate negotiation team, and likely to lower Denmark's level of ambition as host of COP-15.
- 15. (U) In the wake of the Becker resignation, Hedegaard turned over responsibility for investigating the issue to the Justice Ministry, due to her friendship with Becker. Called before the parliamentary Environment Committee to explain the situation in her ministry on October 16, Hedegaard, like other representatives of all parties represented, declared the issues surrounding Becker's resignation "closed."

Steffen Smidt Named

16. (U) Steffen Smidt, a career diplomat and head of the MFA's Center for Global Challenges was named in the wake of the Becker resignation to take up the post of chief negotiator for the Climate and Energy Ministry. Smidt had attended UNFCCC negotiation and Major Economies Forum (MEF) rounds representing the Foreign Ministry.

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Comment

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- 17. (SBU) Becker's resignation came as a shock here, coming so close to hosting COP-15, which Becker had a role in winning for Denmark. The timing of Becker's sudden exit projected disarray and threatened to damage the government's unity, the Prime Minister's reputation, and Hedegaard's leadership of her ministry. The opposition assumed political motives, driven by policy disagreement within the government. But as details of Becker's expense accounts emerged, public opinion has shifted. Hedegaard's explanations appear to have quelled the controversy, permitting a return to political consensus as the date of the conference fast approaches.
- 18. (SBU) Tensions between the PM's office and the Climate and Energy Ministry are real, and reportedly came to a head earlier this year, when then-PM Fogh Rasmussen sent his climate advisor, Bo Lidegaard, to Washington to attend the first MEF meeting there, rather than Hedegaard. Some here allege she threatened to resign shortly after Lars Loekke Rasmussen became PM, unless given a larger role; she has attended subsequent MEF meetings (as has Lidegaard). Dismissing press allegations of a rift as dated in the wake of the Becker resignation, Hedegaard has insisted that where tensions once existed, they have been overcome, and made government coordination of climate policy stronger.
- 19. (SBU) That said, Hedegaard and PM Loekke Rasmussen are political allies (hailing from different political parties), and each has a role. PM's climate advisor Lidegaard clearly has the PM's trust. Hedegaard was not present at the October 2 bilateral meeting of the PM, Lidegaard, FM Moeller and others with POTUS, SECC Stern and the U.S. Ambassador on the margins of the International Olympic Congress in Copenhagen. While Hedegaard's role is public, Lidegaard seems to play a substantive role behind the scenes in the negotiations and bilateral meetings with the PM and other nations.
- 110. (SBU) Ambassador Smidt's appointment as chief Danish negotiator appears to signal more continuity than change in Denmark's negotiating stance. In previous meetings Smidt has struck us as open and friendly. On September 10, Smidt expressed appreciation for the MEF process and understanding of the domestic process

affecting U.S. climate negotiating positions (Reftel). $\label{eq:FULTON} \mbox{FULTON}$